

ABSTRACT OF THE DISCLOSURE

A financial transaction system in which a participant may make a purchase of goods or services from a merchant using an access device such as a payment card. Upon approval, the transaction is routed for net settlement of all funding to a Program Manager that applies logic to the transaction to calculate a merchant funded loyalty reward to the participant and administration and bank association fees. The bank association funds the merchant's account net rebate and other fees. The participant's rebate, if in cash, is placed in an investment account which may be interest bearing and is distributed upon the occurrence of an event such as retirement. The rebate provides the participant a convenient way to save money while also providing business benefits to the merchants.